

Dearborn

Tax/Billing
(Financials)

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July 10, 2003

STANDARD SOFTWARE LICENSE AND SERVICES AGREEMENT

This *Standard Software License and Services Agreement* which includes the attached Exhibits ("this Agreement") is between New World Systems® Corporation ("New World"), a Michigan Corporation and Dearborn County, Indiana ("Customer"). This Agreement sets forth the terms and conditions under which New World will furnish the Licensed Products and will provide certain services described herein to Customer.

The attached Exhibits include:

Exhibit A LICENSED STANDARD SOFTWARE AND FEES
Exhibit B INSTALLATION AND TRAINING SUPPORT SERVICES AND FEES
Exhibit C STANDARD SOFTWARE MAINTENANCE AGREEMENT
Exhibit D NON-DISCLOSURE AND SECURITY AGREEMENT FOR THIRD PARTIES
Exhibit E DEMONSTRATION SITE DISCOUNT
Exhibit F DATA FILE CONVERSION ASSISTANCE
Appendix 1 AGREEMENT AND AUTHORIZATION FOR PROCUREMENT OF THIRD PARTY PRODUCTS AND SERVICES

By signing below, each of us agrees to the terms and conditions of this Agreement together with the attached Exhibits. This Agreement contains the complete and exclusive statement of the agreement between us relating to the matters referenced herein and replaces any prior oral or written representations or communications between us. Each individual signing below represents that (s)he has the requisite authority to execute this Agreement on behalf of the organization for which (s)he represents and that all the necessary formalities have been met. If the individual is not so authorized then (s)he assumes personal liability for compliance under this Agreement.

ACKNOWLEDGED AND AGREED TO BY:

NEW WORLD SYSTEMS® CORPORATION
(New World)

DEARBORN COUNTY, INDIANA
(Customer)

By: Larry D. Leinweber
Larry D. Leinweber, President

By: Daniel Batta 7/21/03 President
Authorized Signature, Title

By: _____
Authorized Signature, Title

Date: 07-25-03

Date: _____

This Agreement is effective upon the last date as shown on this cover page.

Karen Sheu 7/21/03
Cara Benning 7/21/03

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I. DEFINITIONS. The following terms as defined below are used throughout this Agreement:

1. **"Licensed Standard Software":**
The current version of New World standard and development application software package(s) (in machine readable code and, if applicable, the related source code) listed on Exhibit A. "Development Software" is standard application software currently under development by New World which, if applicable, will be completed and delivered to Customer as Licensed Standard Software during the term of this Agreement.
2. **"Upgrades":**
Any enhanced and/or improved versions of the Licensed Standard Software provided as Licensed Standard Software under Exhibit C of this Agreement and released after the execution of this Agreement.
3. **"Licensed Custom Software":**
Any software (programs or portions of programs) developed by New World specifically for Customer's own use.
4. **"Licensed Software":**
The Licensed Standard Software (including any Development Software), Upgrades, and Licensed Custom Software provided under this Agreement.
5. **"Licensed Documentation":**
New World User Manuals which includes the current specifications for the Licensed Standard Software and other written instructions relating to the Licensed Software (such as Product Bulletins, installation instructions, and training materials).
6. **"Authorized Copies":**
Except as provided in Section II, subparagraph 1.3, the only authorized copies of the Licensed Software and Licensed Documentation are the copies of each application software package defined in this Paragraph. They are:
 - (i) the single copy of the Licensed Software and the related Licensed Documentation delivered by New World under this Agreement; and
 - (ii) any additional copies made by Customer as authorized in Section II, subparagraph 1.2.
7. **"Licensed Products":**
The Licensed Software, the related Licensed Documentation, and the Authorized Copies of the foregoing.
8. **"Customer Liaison":**
A Customer employee assigned to act as liaison between Customer and New World for the duration of this Agreement. Within ten (10) days of execution of this Agreement, Customer shall notify New World of the name of the Customer Liaison.
9. **"SSMA":**
The New World Standard Software Maintenance Agreement as set forth in Exhibit C.
10. **"Computer":**
The single IBM iSeries 400 model 170 processor, to be located at:
*Dearborn County
215 B West High Street
Lawrenceburg, IN 47025*
Customer shall identify in writing the serial number of the Computer within ten (10) days of receipt of the Computer or within ten (10) days of execution of this Agreement, whichever is later. If the Computer is to be relocated, Customer shall notify New World of the new location in writing prior to the relocation.
11. **"Confidential Information":**
Information disclosed or obtained by one party in connection with, and during the term of, this Agreement and designated as "Confidential" by the party claiming confidentiality at the time of disclosure. Confidential Information does not include any information which was previously known to the other party without obligation of confidence or without breach of this Agreement, is publicly disclosed either prior or subsequent to the other party's receipt of such information, or is rightfully received by the other party from a third party without obligation of confidence.

II. GENERAL TERMS AND CONDITIONS

1.0 SINGLE USE LICENSE

- 1.1 In consideration of Customer's payment of the license fees specified in Exhibit A and the applicable custom software fees, if any, New World grants Customer a nontransferable and nonexclusive license to use the Licensed Software only on the Computer and only for its internal processing needs. Once Customer has fully paid the license fees for the Licensed Software, Customer shall have the right and license to use, enhance, or modify the Licensed Software only for Customer's own use and only on the Computer. In accordance with the payment plan(s) on the attached Exhibits, New World will deliver to Customer one copy of each application of the Licensed Software (in machine readable form compatible with the specified operating environment) on storage media supplied by Customer and one copy of the related Licensed Documentation.
- 1.2 In order to assist Customer in the event of an emergency, Customer is permitted to make up to two (2) back up copies on magnetic media of each application of the Licensed Software and one back up copy of the related Licensed Documentation. These Authorized Copies may be stored off-site away from Customer's premises as specified in the Definitions so long as they are kept in a location secure from unauthorized use. Customer or anyone obtaining access through Customer shall not copy, distribute, disseminate, or otherwise disclose to any third party the Licensed Products or copies thereof

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in whole or in part, in any form or media. This restriction on making and distributing the Licensed Products or copies of any Licensed Product, includes without limitation, copies of the following:

- (i) Program libraries, either source or object code;
- (ii) Operating control language;
- (iii) Test Data, sample files, or file lay outs;
- (iv) Program Listings; and
- (v) Licensed Documentation.

- 1.3 Upon written request by **Customer**, and with written permission by **New World**, additional Authorized Copies may be made for **Customer's** internal use only.

2.0 OWNERSHIP

- 2.1 The Licensed Products and all copyright, trade secrets and other proprietary rights, title and interest therein, remain the sole property of **New World** or its licensors, and **Customer** shall obtain no right, title or interest in the Licensed Products by virtue of this **Agreement** other than the nonexclusive, nontransferable license to use the Licensed Products as restricted herein.
- 2.2 The license to use any Licensed Custom Software provided under this **Agreement**, if any, is included in this license. **New World** shall have the right to use any data processing ideas, techniques, concepts, and/or know-how acquired by it in the performance of services under this **Agreement** including the development of Licensed Custom Software for the advancement of its own technical expertise and the performance of other Software License and Service Agreements or any other applicable agreements. **New World** shall have, without restriction, the right to use all programs, procedures, information, and techniques that are publicly available, obtained or obtainable from third parties and/or developed independently by **New World** without specific reference to **Customer's** organization.

3.0 CORRECTION AND SOFTWARE MAINTENANCE ON STANDARD SOFTWARE

- 3.1 For a warranty period of ninety (90) days after the date the Licensed Standard Software is installed on computer and during the term of **Customer's** SSMA (see Exhibit C), **New World** provides software correction service and maintenance for the Licensed Standard Software. See Exhibit C for a description of the services available, the applicable fees and procedures, and the SSMA start date.

4.0 WARRANTIES

- 4.1 **New World** warrants that the Licensed Standard Software will perform as specified in its user manuals based on the then-current release of the Licensed Standard Software.
- 4.2 **New World** warrants that it possesses the necessary intellectual rights to license to **Customer** the Licensed Software provided hereunder.

The foregoing warranties do not apply if the Licensed Product(s) have been modified by any party other than **New World**. **New World** does not warrant that the features or functions of the Licensed Software will meet **Customer's** requirements or in any combination or use **Customer** selects. EXCEPT AS SPECIFICALLY PROVIDED IN THIS PARAGRAPH 4.0, NEW WORLD MAKES NO WARRANTIES, EXPRESS OR IMPLIED, INCLUDING BUT NOT LIMITED TO, THE LICENSED PRODUCTS' CONDITION, ITS MERCHANTABILITY, ITS FITNESS FOR A PARTICULAR PURPOSE, OR ANY IMPLIED WARRANTY ARISING FROM COURSE OF PERFORMANCE, COURSE OF DEALING OR USAGE OF TRADE.

5.0 INSTALLATION AND TRAINING SUPPORT SERVICES

- 5.1 As provided for in Exhibit B and concurrent with timely payments, **New World** shall make available to **Customer** qualified representative(s) who will provide installation and training support services for each application of the Licensed Software delivered. See Exhibit B for a description of the services provided and the applicable fees and procedures.

6.0 CUSTOMER LIAISON AND CUSTOMER RESPONSIBILITIES

The successful implementation of the Licensed Products into **Customer's** environment requires **Customer's** commitment to and cooperation in the implementation process. Accordingly, **Customer** hereby agrees to the following:

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- 6.1 **Customer** understands that the Licensed Software is designed to run in a specified operating environment which includes hardware, software and related equipment not provided by **New World**. **Customer** is responsible for assuring that the appropriate hardware equipment, the related components and all cabling are installed timely and are suitable for the successful installation of the Licensed Software.
- 6.2 **Customer** agrees to provide the management interface and support necessary to successfully complete the implementation of the Licensed Software. This support includes upper level priority setting and timely involvement during and after a change in **Customer's** organization, **Customer's** operations and/or after changes in **Customer's** internal policies or procedures which directly affect the software implementation.
- 6.3 **Customer** shall assign an upper level employee to serve as the Customer Liaison for the duration of the Licensed Software implementation. If **Customer** must replace the Customer Liaison for reasons beyond its control, **Customer** will assign a new Customer Liaison as soon as reasonably possible. **New World** is not responsible for any delay caused directly or indirectly by the reassignment of the Customer Liaison. In addition to other duties and responsibilities, the Customer Liaison shall:
- (i) provide timely answers to **New World's** requests for information;
 - (ii) coordinate a mutually agreeable training schedule;
 - (iii) have authority to sign for and obligate **Customer** to any matters relating to service requests, design documents, performance test documents and/or delivery and service dates;
 - (iv) in situations where **Customer** participation is required, provide timely input for systems definition, detail design, and use of the software system.
- 6.4 **Customer** is responsible for creating and maintaining its master files, tables and the like which includes accurate data entry, accurate file editing and overall file control to assure successful systems performance.
- 6.5 **Customer** shall provide qualified personnel with sufficient back up to be trained to use the Licensed Software and to interpret the output. Applying the output information in **Customer's** environment is **Customer's** sole responsibility.

7.0 BILLING AND iSERIES 400 MODEL UPGRADE CHARGES

- 7.1 The attached Exhibits set forth the manner in which fees and payments shall be allocated and made under this **Agreement**. Past due amounts are subject to a service charge of 1.5% per month, which charge **Customer** agrees to pay. To the extent **Customer** imposes additional requirements on **New World** for services other than those expressly provided in this **Agreement**, **New World** retains the right to make additional price adjustments and/or any other adjustments which may be necessitated. Before performing these additional services, **New World** will notify **Customer** that the services are subject to additional charge.
- 7.2 If **Customer** upgrades the computer model of its iSeries 400 Computer, at the time of the upgrade, **Customer** agrees to pay the difference between the standard software charges for the present I Series 400 model (see Section I, definition number 10) and the then-current standard software charges for the upgraded iSeries 400 model. SSMA fees shall be increased according to the upgraded iSeries 400 charges on the next annual billing date after the upgrade occurs. With said payments, the license provided in Section II, Paragraph 1.0 transfers to permit **Customer's** use of the Licensed Software on the upgraded iSeries 400 model.
- 7.3 **Customer** shall notify **New World** when iSeries 400 models will be upgraded and will pay the upgrade fees promptly when invoiced.
- 7.4 Any taxes imposed from the course of this **Agreement** are the responsibility of the **Customer** and **Customer** agrees to remit when imposed. If an exemption is claimed by the **Customer**, an exemption certificate must be submitted to **New World**.

8.0 NON-RECRUITMENT OF PERSONNEL

- 8.1 During the term of this **Agreement** and for twenty-four (24) months thereafter, each party agrees not to solicit or hire current or former employees of the other without the other's prior written consent.

9.0 CONFIDENTIAL INFORMATION/NON-DISCLOSURE AGREEMENT

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- 9.1 Subject to the requirements of the Freedom of Information Act (FOIA) and/or other comparable applicable state law, each party shall hold all Confidential Information in trust and confidence for the party claiming confidentiality and not use such Confidential Information other than for the benefit of that party. The other party agrees not to disclose any such Confidential Information, by publication or otherwise, to any other person or organization.
- 9.2 **Customer** hereby acknowledges and agrees that all Licensed Products are Confidential Information and proprietary to **New World**. In addition to the other restrictions set forth elsewhere in this **Agreement** or otherwise agreed to in writing, **Customer** agrees to implement all reasonable measures to safeguard **New World's** proprietary rights in the Licensed Products, including without limitation the following measures:
- (i) **Customer** shall only permit access to the Licensed Products to those employees who require access and only to the extent necessary to perform **Customer's** internal processing needs.
 - (ii) With respect to agents or third parties, **Customer** shall permit access to the Licensed Products only after **New World** has received, approved and returned a fully executed Non-Disclosure Agreement to **Customer** (see Exhibit D). **New World** reserves the right to reasonably refuse access to a third party after it has evaluated the request. **Customer** agrees to provide information reasonably requested by **New World** to assist **New World** in evaluating **Customer's** request to permit third party access to the Licensed Products. In addition to any other remedies, **New World** may recover from **Customer** all damages and legal fees incurred in the enforcement of this provision on third party access;
 - (iii) **Customer** shall cooperate with **New World** in the enforcement of the conditions set forth in the attached Non-Disclosure Agreement or any other reasonable restrictions **New World** may specify in writing in order to permit access;
 - (iv) **Customer** shall not permit removal of copyright or confidentiality labels or notifications from its proprietary materials; and
 - (v) **Customer** shall not attempt to disassemble, decompile or reverse engineer the Licensed Software.
- 9.3 **Customer** agrees that in addition to any other remedies that may be available at law, equity or otherwise, **New World** shall be entitled to seek and obtain a temporary restraining order, injunctive relief, or other equitable relief against the continuance of a breach or threatened breach of this paragraph 9.0 on Confidentiality and Non-Disclosure without the requirement of posting a bond or proof of injury as a condition for the relief sought.

10.0 LIMITATION OF LIABILITY AND RECOVERABLE DAMAGES

New World's entire liability and **Customer's** exclusive remedies are set forth below:

- 10.1 For any claim relating to the non-conformance or imperfection of any licensed software provided under this **Agreement**, **New World** will correct the defect so that it conforms to the warranties set forth in Section II, subparagraph 4.1; or if after repeated attempts to correct the non-conformity, **New World** is unable to correct the non-conformity, then **Customer** may recover its actual damages subject to the limits set forth in subparagraph 10.2 below. For any other claim arising under or in connection with this **Agreement**, **Customer** may recover its actual damages subject to the limits set forth in subparagraph 10.2 below.
- 10.2 **New World's** liability for damages, regardless of form of action, is limited to the recovery of direct damages up to the Exhibit A Licensed Standard Software fees paid to **New World**.
- 10.3 In no event shall **New World** be liable for any damages relating to **Customer's** failure to perform its responsibilities or for loss of use, revenue or profits, or for any incidental or consequential damages, even if **New World** has been advised of the possibility of such damages. If it is determined that a limitation of liability or a remedy contained herein fails of its essential purpose, then the parties agree that the exclusion of incidental and/or consequential damages is still effective.

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11.0 INTEGRATION WITH U.S. COPYRIGHT ACT

- 11.1 In addition to all other provisions provided under this **Agreement**, **Customer** agrees to be bound by and to comply with any and all provisions of the U.S. Copyright Act (*The Copyright Act of 1976, U.S.C. Sections 101-810 (1976) as amended*). If a provision of the U.S. Copyright Act and this **Agreement** conflict, the more restrictive of the two applies. If it cannot be determined which is the more restrictive, then the provision within this **Agreement** shall apply.

12.0 INDEPENDENT CONTRACTOR

- 12.1 **New World** is an independent contractor. The personnel of one party shall not in any way be considered agents or employees of the other. To the extent provided for by law, each party shall be responsible for the acts of its own employees.
- 12.2 Each party shall be responsible for Workers' Compensation coverage for its own personnel.

13.0 INSURANCE REQUIREMENTS

New World shall not commence work under this **Agreement** until it has obtained the insurance required under this paragraph.

- 13.1 **Workers' Compensation Insurance:** **New World** shall procure and maintain during the term of this **Agreement**, Workers' Compensation Insurance for all of its employees who engage in the work to be performed.
- 13.2 **Liability and Property Insurance - Comprehensive Form:** **New World** shall procure and maintain during the term of this **Agreement**, Liability and Property Damage Insurance in an amount not less than \$1,000,000 on account of each accident; and in an amount not less than \$1,000,000 for each accident for damage to property.
- 13.3 **Automobile Liability Insurance:** **New World** will procure and maintain during the term of this **Agreement**, Hired and Non-Ownership Motor Vehicle Bodily Injury and Property Damage Insurance in an amount not less than \$500,000 for injuries, including accidental death, to each person; and, subject to the same limit for each person, in an amount not less than \$500,000 for each accident; and in an amount not less than \$500,000 on account for each accident for damage to property.

14.0 DISPUTE RESOLUTION BY ARBITRATION

- 14.1 Except for matters in which the dispute relates to a breach of the provisions set forth in Section II, Paragraphs 8.0 (employee non-recruitment) or 9.0 (non-disclosure or confidentiality), any controversy or claim arising out of or relating to this **Agreement**, or breach thereof, shall be settled in arbitration in accordance with the Commercial Arbitration Rules of the American Arbitration Association. Judgment upon any award rendered by the arbitrator(s) may be entered in any court having jurisdiction thereof.
- 14.2 Before a demand for arbitration may be filed by either party, the management of both parties shall have met at least two times in face-to-face meetings in an effort to resolve any dispute or controversy through normal business management practices. Unless otherwise agreed to in writing, such meetings shall take place at the location of the customer's home offices.
- 14.3 The arbitrators shall have no power or authority to add to or detract from this **Agreement** of the parties. The arbitrators shall have no authority to award damages over and above those provided for in this **Agreement** and in any event shall not exceed the limitations set forth in Section II, subparagraph 10.2, even if the remedy or limitation of liability provisions set forth in this **Agreement** shall for any reason whatsoever be held unenforceable or inapplicable.
- 14.4 Neither party nor the arbitrators may disclose the existence or results of any arbitration hereunder, except if the arbitration results in a Court imposed judgment, the non-disclosure restriction shall not be effective to the extent the matter becomes a public record.
- 14.5 Each party shall bear its own costs in preparing for and conducting arbitration, except that the joint costs, if any, of the actual arbitration proceeding shall be shared equally by the parties.
- 14.6 Unless otherwise agreed to in writing, the place of any arbitration shall be in Dearborn County, Indiana.

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15.0 TERMINATION

- 15.1 **By Customer:** If **New World** fails to provide the Licensed Software as warranted in accordance with the terms of this **Agreement**, **Customer** may at its option terminate this **Agreement** with ninety (90) days written notice as follows:
- (i) The termination notice shall provide a detailed description (with examples) of any warranty defects claimed;
 - (ii) **New World** shall have ninety (90) days from receipt of said notice to correct any warranty defects in order to satisfy the terms of this **Agreement**;
 - (iii) During the ninety day cure period, **Customer** shall apply sound management practices and use its best efforts to resolve any issues or obstacles - including cooperating with **New World** and reassigning personnel if necessary to improve the working relationship;
 - (iv) At the end of ninety (90) days unless the termination has been revoked in writing by **Customer**, the **Agreement** terminates.
 - (v) Upon termination of this Agreement, the right of Customer to make demands upon the Performance Bond described in Paragraph 18.6, below, shall survive.
- 15.2 **By New World:** If **Customer** fails to make prompt payments to **New World** when invoiced, or if **Customer** fails to fulfill its responsibilities outlined in Section II, Paragraph 6.0, then **New World** may at its option terminate this **Agreement** with written notice as follows:
- (i) The termination notice shall define the reason for termination;
 - (ii) If the cited reason for termination is **Customer's** failure to make prompt payment, **Customer** shall have ten (10) days from receipt of said notice to make payment in full for all outstanding invoiced payments due;
 - (iii) If the cited reason for termination is **Customer's** failure to fulfill its responsibilities, **Customer** shall have ninety (90) days from receipt of said notice to correct any actual deficiencies in order to satisfy the terms of this **Agreement**;
 - (iv) During the applicable cure period, **New World** will use sound management practices and its best efforts to resolve any issues or obstacles -- including the reassignment of personnel if necessary to improve the working relationship;
 - (v) At the end of the applicable cure period, unless the termination has been revoked in writing by **New World**, the **Agreement** terminates.
- 15.3 In the event of termination by either party, **New World** shall continue to provide its services, as previously scheduled, through the termination date and the **Customer** shall continue to pay all fees and charges incurred through the termination date as provided in the attached Exhibits.
- 15.4 Upon termination under subparagraph 15.1, **Customer** shall return to **New World** all copies of each application of Licensed Software and related Licensed Documentation provided to **Customer** under this **Agreement**.
- 15.5 Nothing in this paragraph on termination is intended to infer that either party has or does not have a claim for damages.
- 15.6 The Terms and Conditions relating to ownership, warranties, non-recruitment of personnel, confidentiality and non-disclosure, limitation of liability and recoverable damages, Copyright Act, dispute resolution and the General provisions (18.0), survive termination.

16.0 PATENT AND TRADEMARK INDEMNIFICATION

New World agrees to indemnify and save the **Customer** harmless from and against any and all judgments, suits, costs, and expenses subject to the limits set forth in this **Agreement** resulting from any alleged infringement of any patent or copyright arising from the licensing of the Licensed Standard Software pursuant to this **Agreement**, provided that **Customer** has notified **New World** in writing of such allegation within thirty (30) days of the date upon which the **Customer** first receives notice thereof. **New World's** obligation to indemnify and save **Customer** harmless under this paragraph is void if the claim of infringement arises out of or in connection with any modification made to the Licensed Standard Software or any use of the Licensed Standard Software not specifically authorized in writing by **New World**.

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17.0 NOTICES

- 17.1 Notices to **Customer** shall be deemed effective when sent by Registered or Certified U.S. Mail to the business address of the **Customer**.
- 17.2 Notices to **New World** shall be deemed effective when sent by Registered or Certified U.S. Mail to the following address (or to any other address so specified by **New World**):

New World Systems Corporation
888 West Big Beaver, Suite 1100
Troy, Michigan 48084
Attention: President

18.0 GENERAL

- 18.1 This **Agreement** is the entire agreement between the parties superseding all other communications, written or oral, between the parties relating to the subject matter of this **Agreement**. **This Agreement may be amended or modified only in writing signed by both parties.**
- 18.2 This **Agreement** is governed by the laws of the State of Indiana and it shall be binding on the successors and assigns of the parties.
- 18.3 Failure to enforce any provision of this **Agreement** shall not be deemed a waiver of that provision or any other provision of this **Agreement**.
- 18.4 No action, regardless of form, arising out of the services performed or Licensed Products delivered hereunder, may be brought by either party more than one (1) year after the cause of action has accrued, except that an action for non-payment of fees may be brought within two (2) years of the date of the payment was due.
- 18.5 The paragraph headings which appear herein are included solely for convenience and shall not be used in the interpretation of this **Agreement**. Any provision of this **Agreement** determined to be invalid or otherwise unenforceable shall not affect the other provisions, which other provisions remain in full force and effect.
- 18.6 In those situations where **Customer** requests **New World** to provide a Performance Bond, **New World** will provide a Performance Bond for the cost of the Licensed Standard Software listed on Exhibit A at **Customer's** expense. The cost of the bond will be billed to **Customer** and **Customer** agrees to pay promptly for the Performance Bond when invoiced. Such Bond, if a Bond is requested by Customer, must be stated in dollars, executed by a surety company licensed to do business in the State of Indiana, be in a standard form and in the amount equal to the Exhibit A. The surety on the performance bond may not be released until one (1) year from the date of the County's final settlement with New World. The performance bond must also specify that:
1. a modification, omission or addition to the terms and conditions of the contract; and
 2. a defect in the contract; and
 3. a defect in the proceedings preliminary to the letting and awarding of the contract does not discharge the surety.

New World shall notify Customer of the cost of such Bond at the time of the execution of this Contract. If thereafter requested by Customer, the Bond shall be provided by New World within 30 days thereafter and become part of this Contract.

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EXHIBIT A
FOR LICENSED STANDARD SOFTWARE AND FEES

A. License Fee for LICENSED STANDARD SOFTWARE and DOCUMENTATION selected by CUSTOMER:

<u>Application Package</u>	<u>Cost</u>
1. Logos® Financial Management Software Base Package¹	\$40,000
- General Ledger Module	
- Budgetary Reporting Module	
- Annual Budget Processing Module	
- Requisition Processing Module	
- Purchasing Module	
- Accounts Payable Module	
- Revenue Accounting Module	
2. Additional Logos® Financial Management Software	
- Financial Management Report Writer ²	\$4,000
- Fixed Assets Module	\$6,000
- Project/Grant Accounting Module	\$6,000
3. Logos® Human Resources Software	
- Payroll with Base Personnel Module	\$24,000
- Advanced Personnel Module	\$5,000
- HR/Payroll Report Writer ²	\$3,000
- Position Control and Budgeting Module	\$5,000
4. Logos® Multi-Jurisdictional Jurisdiction Property Tax Software	
-Multi-jurisdictional Delinquent Processing	\$9,000
-Multi-jurisdictional Geo Property Master	\$7,000
-Multi-jurisdictional PC Appraisal Interface ³	\$9,000
-Multi-jurisdictional Property Tax Cash Register Interface	\$9,000
-Multi-jurisdictional Tax Billing	\$9,000
-Multi-jurisdictional Tax Receivables	\$9,000
-State Compliance Software	\$8,600
5. Graphical User Interface⁴	
Windows PC Environment	
- Server Software	\$3,000
- Runtime Client Software	
(estimated 10 Units @ \$175 per unit)	\$1,750
6. Application Source Code	\$15,835
NEW WORLD STANDARD SOFTWARE LICENSE FEE	\$174,185
LESS DEMONSTRATION SITE DISCOUNT	(\$15,835)
TOTAL SOFTWARE LICENSE FEE^{5,6}	<u>\$158,350</u>

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ENDNOTES

- ¹ *Includes fax and e-mail PO capability. Fax PO requires a fax modem and IBM Fax/400 software.*
- ² *Requires Crystal Report Professional Edition Version 8.0 or 8.5 and utilizes standard New World library names. Non standard library names will require customization of the Report Writer Interfaces.*
- ³ *Currently supporting: Microsolve, Kb Systems, Equalizer and Arrow Systems.*
- ⁴ *The minimum configuration for the New World GUI is a PC with a Pentium 133 processor and 16 MB RAM with 100MB of free disk space for the Client. The Server requires TCP/IP.*
- ⁵ *Prices assume that all software proposed is licensed.*
- ⁶ *Any taxes imposed are the responsibility of the purchaser and will be remitted when imposed.*

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Exhibit A/LICENSED STANDARD SOFTWARE AND FEES

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B. License Fee Payment Schedule for Licensed Standard Software and Documentation

- | | |
|--|----------|
| 1. DOWN PAYMENT
(40% of the total Exhibit A cost -
Invoiced upon receipt of signed <i>Standard
Software License and Services Agreement</i>) | \$63,340 |
| 2. DELIVERY PAYMENT
(50% of each application cost -
Invoiced as each Exhibit A Licensed Standard
Software package is delivered to Customer) | \$79,175 |
| 3. FINAL PAYMENT
(10% of each application cost -
Invoiced 90 days after delivery of each
Licensed Standard Software package) | \$15,835 |

TOTAL LICENSED STANDARD SOFTWARE PAYMENTS DUE	<u>\$158,350</u>
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ALL PAYMENTS ARE DUE WITHIN FORTYFIVE (45) DAYS FROM RECEIPT OF INVOICE

PRICING VALID THROUGH SEPTEMBER 30, 2003.

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EXHIBIT B
PROJECT MANAGEMENT, INSTALLATION AND TRAINING SUPPORT SERVICES AND FEES

1. Project Management Services

New World shall act as Project Manager to assist Customer's management in implementing the Exhibit A software. This responsibility will include documenting, coordinating and managing the overall Implementation Plan with Customer's management and the Customer liaison. Project Management Services include:

- (a) a summary level Implementation plan;
- (b) a detail level Implementation plan;
- (c) revised Implementation plans (if required);
- (d) monthly project status reports; and
- (e) Project Status meetings
 - a project review (kickoff) meeting at Customer's location
 - progress status meeting(s) will occur during implementation via telephone conference or at Customer's location; and
 - a project close out meeting at Customer's location to conclude the project.

To implement the Exhibit A applications, the project management fee will be \$16,000.

2. Training and Installation Support Hours Recommended

Allocating adequate support service hours for each application of Licensed Standard Software listed on Exhibit A is not only recommended but also is critical for a successful installation of and training on each application package. Based on the Licensed Standard Software listed on Exhibit A, 440 hours of New World installation and training support services have been allocated. Avoiding or minimizing custom or modified features will aid in keeping the support costs to the amount allocated. Customer agrees to reimburse New World for support trips canceled by Customer less than ten (10) days before the scheduled start date to cover New World's out of pocket costs and lost revenues. The recommended installation and training support services include:

- (a) Installation of each package of Licensed Standard Software; and
- (b) Customer training and/or assistance in testing for each package of Licensed Standard Software.

The project management, training and installation support services are performed at Customer's premises and/or at New World national headquarters in Troy, Michigan (e.g., portions of project management are performed in Troy).

3. Support Service Fees Estimate

The 440 hours of training and installation support services cost has been calculated using a rate of \$125 per hour. Additional services are also available at the rate of \$125 per hour. This rate is protected for one year from the date New World executes this Agreement. After one year, Customer shall pay the then-current hourly rate for all Exhibit B support services rendered.

Based on the services suggested above, the Project Management, and Training and Installation Support Service cost will be a total of \$71,000. (Plus all actual and reasonable travel expenses incurred by New World divided proportionately between all New World customers visited on a single trip and actual employee travel time for Installation and Training up to but not exceeding four (4) hours per Customer visit.)

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Exhibit B/PROJECT MANAGEMENT, INSTALLATION AND TRAINING SUPPORT SERVICES AND FEES

Page 2

4. Additional Services Available

Other **New World** services may be required or requested for the following:

- (a) Additional software training;
- (b) Tailoring of Licensed Standard Software by **New World** technical staff and/or consultation with **New World** technical staff;
- (c) **New World** Consultation with other vendors or third parties;
- (d) Modifying the Licensed Standard Software;
- (e) Designing and programming Custom Software;
- (f) Maintaining modified Licensed Standard Software and/or Custom Software.

Customer may request these additional services in writing using **New World's** Request For Service (RFS) procedure (or other appropriate procedure mutually agreed upon by **Customer** and **New World**).

5. Payments for Project Management Services

Project Management Services will be billed as follows:

Day 10 after Agreement Signed	\$ 4,800
Day 90 after Agreement Signed	\$ 4,800
Day 180 after Agreement Signed	\$ 4,800
Upon Project Completion or 365 days	\$ <u>1,600</u>
after Agreement signed, whichever comes first	
Total:	\$ <u>16,000</u>

6. Payments for Training and Installation Support Services and Travel Costs

All hours for training and installation support services and all travel costs will be billed weekly for services provided in the previous calendar week.

Note: Any taxes imposed from the course of this Agreement are the responsibility of the **Customer** and **Customer** agrees to remit when imposed. If an exemption is claimed by the **Customer**, an exemption certificate must be submitted to **New World**.

ALL PAYMENTS ARE DUE NO LATER THAN FORTYFIVE (45) DAYS FROM RECEIPT OF INVOICE.

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EXHIBIT C
STANDARD SOFTWARE MAINTENANCE AGREEMENT

This Standard Software Maintenance Agreement (SSMA) between New World Systems Corporation (**New World**) and **Dearborn County, Indiana (Customer)** sets forth the standard software maintenance support services provided by **New World**.

1. **Service Period**

This SSMA shall remain in effect for a period of five (5) years beginning on the 91st day after the installation of the Licensed Standard Software to **Customer** (the start date) and ending on the same calendar date five (5) years after the start date. Upon software delivery, Licensed Standard Software installation shall not be delayed more than 30 days from computer's availability for use.

2. **Services Included**

The following services or features are available under this SSMA:

- (a) Upgrades, including new releases, to the Licensed Standard Software (prior releases of Licensed Standard Software application packages are supported no longer than nine (9) months after a new release is announced by **New World**);
- (b) Temporary fixes to Licensed Standard Software (see paragraph 6 below);
- (c) Revisions to Licensed Documentation;
- (d) Reasonable telephone support for Licensed Standard Software on Monday through Friday from 8:00 a.m. to 8:00 p.m. (Eastern Time Zone); and
- (e) Invitation to and participation in user group meetings.

Items a, b, and c above will be distributed to **Customer** on magnetic media or other means, as appropriate. After installation, **Customer** shall return any magnetic media to **New World**.

Additional support services are available as requested by **Customer** using the then-current hourly rates or applicable fees. Exhibit B has a description of support services available.

3. **Maintenance for Modified Licensed Standard Software and Custom Software**

Customer is advised that if it requests or makes changes or modifications to the Licensed Standard Software, these changes or modifications (no matter who makes them) make the modified Licensed Standard Software more difficult to maintain. If New World agrees to provide maintenance support for Custom Software or Licensed Standard Software modified at Customer's request, or for prior release of New World's software, then the additional New World maintenance or support services provided shall be billed at the then-current Exhibit B hourly fees plus reasonable expenses.

4. **Billing**

Maintenance costs will be billed annually, beginning on the 91st day after installation of the Licensed Standard Software and on the same day each year thereafter for the term of the SSMA. (Any Exhibit B support or service hours and travel costs incurred are billed weekly for the previous calendar week.)

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Exhibit C/STANDARD SOFTWARE MAINTENANCE AGREEMENT

Page 2

5. Additions of Software to Maintenance Agreement

Additional Licensed Standard Software licensed from **New World** will be added to the SSMA ninety (90) days after it is installed at **Customer's** location. Costs for the maintenance for the additional software will be billed to **Customer** on a pro rata basis for the remainder of the maintenance year and on a full year basis thereafter.

6. Requests for Software Correction on Licensed Standard Software

At any time during the ninety (90) day warranty period or during the SSMA period, if **Customer** believes that the Licensed Standard Software does not conform to the current specifications set forth in the user manuals, **Customer** must notify **New World** in writing that there is a claimed defect and specify which feature and/or report it believes to be defective. Before any notice is sent to **New World**, it must be reviewed and approved by the Customer Liaison. Documented examples of the claimed defect must accompany each notice. **New World** will review the documented notice and when a feature or report does not conform to the published specifications, **New World** will provide software correction service at no charge. (See paragraph 4.0 of the General Terms and Conditions of this Agreement for the **New World** warranties provided). A non-warranty request is handled as a billable Request for Service (RFS) (see Exhibit B).

The no charge software correction service does not apply to any of the following:

- (a) situations where the Licensed Standard Software has been changed by anyone other than **New World** personnel;
- (b) situations where **Customer's** use or operations error causes incorrect information or reports to be generated; and
- (c) requests that go beyond the scope of the specifications set forth in the current User Manuals.

7. Maintenance Costs for Licensed Standard Software Packages Covered for IBM iSeries 400 Model 170

New World agrees to provide software maintenance at the costs listed below for the following **New World** Licensed Standard Software packages installed at **Customer's** location:

Application Package

Number of Modules

1. Logos Financial Management Software Base Package	7
2. Additional Logos Financial Management Software	3
3. Logos Human Resources Software	4
4. Logos Multi-Jurisdictional Property Tax Software	7
5. Graphical User Interface	2
6. AS/400 Application Source Code	1

TOTAL LIST COST: \$ 158,350

ANNUAL

MAINTENANCE COST: \$25,336

(5-Year Plan, billed annually starting January 1, 2004)

ALL PAYMENTS ARE DUE FORTYFIVE (45) DAYS FROM RECEIPT OF INVOICE.

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EXHIBIT D
NEW WORLD SYSTEMS CORPORATION
NON-DISCLOSURE AND SECURITY AGREEMENT FOR THIRD PARTIES

This Agreement, when accepted and executed by New World, grants the undersigned the permission to use and/or have limited access to certain New World Systems⁷ Corporation (New World) proprietary and/or confidential information

Installed at: Dearborn County
Customer Name

Located at: 215 B West High Street
Lawrenceburg, IN 47025

Authorized Signature of Customer:

Name (Please Print or Type)	Title	Signature
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In exchange for the permission to use or have access to New World proprietary and/or confidential information, including without limitation, New World software and/or documentation, the organization and individual whose names appear below, agree to the following:

1. No copies in any form will be made of New World proprietary or confidential information without the expressed written consent of New World's President, including without limitation, the following:
 - Program Libraries, whether source code or object code;
 - Operating Control Language;
 - Test or Sample Files;
 - Program Listings;
 - Record Layouts;
 - All written confidential or proprietary information originating from New World including without limitation, documentation, such as user manuals and/or system manuals; and/or
 - All New World Product Bulletins and/or other New World Product related materials.
2. New World software, New World documentation, or other proprietary or confidential information shall not be used for any purpose other than processing the records of the Customer identified above as permitted in the Customer's *Standard Software License and Services Agreement* with New World.
3. The undersigned agree(s) that this Agreement may be enforced by injunction in addition to any other appropriate remedies available to New World. If it is determined that the money damages caused by the undersigned's failure to comply with the foregoing terms are difficult to ascertain, they are hereby estimated at liquidated damages of no less than three times the then-current License Fees for the License Software provided to Customer under the *Standard Software License and Service Agreement* between Customer and New World.

Agreed and Accepted by Third Party (Organization)

Agreed and Accepted by Third Party (Individual)

Organization: _____

Individual: _____

By: _____

By: _____

Title: _____

Title: _____

Date: _____

Date: _____

Accepted and Approved By New World Systems Corp.

By: _____

Title: _____

Date: _____

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EXHIBIT E
DEMONSTRATION SITE DISCOUNT

New World has provided **Customer** a significant discount in exchange for the privilege of using **Customer's** site for demonstration purposes. Accordingly, after the Licensed Software has been delivered and installed, **Customer** agrees to act as a demonstration site for prospective **New World** customers. **Customer** also agrees to serve as a reference or remote demonstration site on the telephone for prospective **New World** customers. By agreeing to be a demonstration site, **Customer** is not necessarily endorsing the **New World** software and **Customer** will not actively participate in any type of marketing and advertising campaign for or on behalf of **New World**.

Demonstrations will be coordinated with the appropriate **Customer** personnel and will be scheduled to minimize the interruption to **Customer's** operations. **New World** will provide **Customer** reasonable notice for preparation.

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EXHIBIT F
DATA FILE CONVERSION ASSISTANCE

New World will provide conversion assistance to **Customer** to convert the existing data master files specified below. The following information is required to be submitted to New World Systems:

1. List of data files and total number of data files to be converted,
2. Data descriptors (data dictionary) of all data elements contained in the files to be converted,
3. Number of data elements contained in the files,
4. Data to be converted is in fixed field length format with comma delimiters.

Data can be submitted via a standard 9 track, 1600 bpi tape in EBCDIC format with a fixed field, fixed record length and fixed block format, or in an ASCII format on the following media types: 3 1/2" disk, 8mm tape or CD. An accurate record count must also be provided.

Master files to be converted:

Includes one (1) input file for each major file listed below.

Financial:

- Vendor Master File
- General Ledger Transaction File

Payroll:

- Employee Master/Deductions File

Property Taxes:

- Geo File
- Open Receivables File
- Tax Master File

The cost to provide the data file conversion is \$20,000. The payment schedule for the conversion is as follows:

1. DOWN PAYMENT	\$12,000
(60% - due upon execution of Agreement)	
2. FINAL PAYMENT	<u>\$8,000</u>
(40% - due upon delivery of data file conversion)	
TOTAL PAYMENTS DUE FOR	
DATA FILE CONVERSION (Exhibit F)	<u>\$20,000</u>

Note: Where applicable, travel costs for New World employees to complete the tasks for Exhibit F services are billed under the provisions of Exhibit B services. All travel to be mutually agreed upon by **Customer** and New World.

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APPENDIX 1
AGREEMENT AND AUTHORIZATION
FOR PROCUREMENT
OF THIRD PARTY PRODUCTS AND SERVICES

July 10, 2003

This agreement (**Agreement**) between **Dearborn County, Indiana (Customer)** and **New World Systems® Corporation, (New World)** is to cover the procurement of Third Party products and services by **New World** for **Customer**.

The attached configuration (Exhibit 1) describes the Third Party products and services that **Customer** will be obtaining through **New World**. By their written approval below, **Customer** authorizes **New World** to order the Exhibit 1 products for delivery to:

Dearborn County
Attn: Cary Pickens
215 B West High Street
Lawrenceburg, IN 47025

Upon execution of this **Agreement**, 100% of the Exhibit 1 cost is due. **Customer** agrees to pay all applicable finance charges (if any) promptly.

Customer is responsible for the site preparation and related costs to install the Exhibit 1 products. **Customer** is responsible for any returned product charges, including re-stocking and shipping fees, for all 3rd party products ordered by **New World** on the **Customer's** behalf. Actual and reasonable travel expenses incurred by **New World**, and actual employee travel time up to but not exceed four (4) hours per **Customer** visit, are in addition to the Exhibit 1 cost and will be billed weekly as incurred.

Any taxes imposed from the course of this Agreement are the responsibility of the **Customer** and **Customer** agrees to remit when imposed. If an exemption is claimed by the **Customer**, an exemption certificate must be submitted to **New World**.

After execution of this **Agreement**, the Exhibit 1 components and cost may be changed by mutual agreement of both parties. If a change order in the configuration requires additional costs, **New World** shall notify **Customer** of the additional costs and with **Customer's** approval, these costs shall be borne by **Customer**. Without such approval, the change order will not be processed.

Customer shall or may be required to execute selected Agreements with vendors and **New World** shall not confirm the ordering of any Exhibit 1 products without **Customer's** authorized signature on these Agreements. **Customer** shall receive the benefit of all warranties, services, etc. provided for in the Agreements.

ACKNOWLEDGED AND AGREED TO BY:

NEW WORLD SYSTEMS® CORPORATION

(New World)

By:

Larry D. Leinweber
Larry D. Leinweber, President

DEARBORN COUNTY, INDIANA

(Customer)

By:

Daniel Batta *Commissioner*
Authorized Signature, Title

By:

[Signature]
Authorized Signature, Title

Date:

07-25-03

Date:

[Signature] *auditor*

Each individual signing above represents that (s)he has the requisite authority to execute this Agreement on behalf of the organization for which (s)he represents and that all the necessary formalities have been met.

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AGREEMENT AND AUTHORIZATION
FOR PROCUREMENT
OF THIRD PARTY PRODUCTS AND SERVICES

July 10, 2003

EXHIBIT 1
CONFIGURATION

THIRD PARTY HARDWARE

Quantity

PC Base Register with One Cash Drawer,
15" Flat Panel Color Monitor, and Receipt/Journal/Slip Printer

2

\$3,449/ Each

TOTAL THIRD PARTY HARDWARE

\$6,898

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